

H I G H L I G H T S
WEEK ENDING: OCTOBER 4, 1991

INDUSTRY WEEKLY VOLUME

- This week's volume of 9.8 billion units was below the industry's estimated seasonally adjusted going rate by -0.7%, -4.8% lower than projected. Sales benefited from third quarter trade programs offered by PM and Liggett which ran through Monday (9/30), offset by inventory depletion from RJR's trade program, which ended last week.

PM WEEKLY VOLUME & SHARE

- This week's volume of 5.1 billion units was +19.4% above PM's seasonally adjusted going rate, -5.9% below forecast. Sales reflect account participation in the final day of PM's trade program on Monday and subsequent inventory exhaustion during the remainder of the week.
- During the final four days of the week, the trade exhausted approximately 27% of PM's total third quarter excess inventory, with an estimated 4.8 billion excess units remaining.
- Among the top 100 accounts, purchase patterns were divided this week as some accounts purchased the majority of their program allocation last week, while others waited until the final day (this Monday). Twenty-nine accounts bought significantly below normal (less than 80% of their estimated going rate), while 49 accounts purchased significantly above average (at least 120%).
- PM's weekly share of 52.3 was significantly above normal and +14.5 points above the corresponding week year ago due to varying trade programs offered from year to year. On a year-to-date basis through this week, PM's share advanced +1.2 points versus year ago to 43.0% of total industry.

DEVELOPMENTS

Philip Morris

- For the fourth consecutive week (W/E 8/25 to 9/15), InfoScan reports Marlboro Medium's supermarket share stable at 1.3 points, with no significant promotional support.
- In order to help defend Merit's year-end business, Brand has been given approval to implement a national retail coupon promotion with bounceback offer in December. Coupon values will be segmented, with \$2.00 off a carton in under-developed PV markets, and \$3.00 off a carton in overdeveloped PV markets. All coupons will include a continuity offer for the Merit Blue Chip luggage collection.

Competitive

- Camel's "C" cash continuity pack promotion, which offers brand related merchandise in return for on-pack "C" notes, is being presented via media advertising. While product at retail already features on-pack "C" cash inserts, no other widespread retail support is evident. Marlboro Brand Management is currently preparing several options to counter this promotion if or when required.
- The latest InfoScan data indicates that the total PV category lost -0.3 points versus week ago to 24.9%.

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